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NEWS RELEASE

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Criminal Fraud Charges Filed in Gold Mining Scheme

Three investors were promised gold bullion if they gave \$160,000 to open gold mines ...

SALT LAKE CITY, Utah – The Utah Attorney General's Office today filed criminal charges against Giles H. Florence for taking \$160,525 from three investors for gold mines that Florence claimed he owned. Florence was charged with six counts of securities fraud and one count of engaging in a pattern of unlawful activity. The money was taken in 2002 and 2003.

Charging documents explain that Florence was president of Tin Cup Mining, a Nevada company. Florence is accused of telling investors he needed funds to begin immediate gold production from two mining claims owned by the company in Nevada and California. Florence said Tin Cup owned all the mining and milling equipment at one of the sites and that production would begin immediately.

The charges allege that investors were told they would receive gold bullion from the mine and receive 6% interest on their investments within eight months. Some investors were told they would be able to buy bullion at a 50% discount from the market price. The investigation revealed that Tin Cup never owned the two mines where gold was to be produced and Tin Cup did not own any mining and milling equipment. Production never began at either mine. Florence also is accused of failing to give information to investors regarding the risks of investment, Florence's background and expertise, and financial information about Tin Cup Mining. Prosecutors allege that Florence took money from some of the investors after he was already in default on earlier investments. The later investors were not told that he was in default.

On December 7, 2008, the Utah Division of Securities brought administrative enforcement proceedings against Florence and Tin Cup Mining. The Division's action is based on conduct similar to that alleged in the criminal action. That action seeks a cease and desist order and fines.

Investors are urged to contact the Division to make sure anyone offering investments is licensed. 801.530.6600, or toll free at 1.800.721.7233. www.securities.utah.gov.